

## Article - Natural Resources

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§3–302.

(a) (1) There is an Environmental Trust Fund.

(2) (i) For the purpose of this subtitle, there is established as an added cost of electricity distributed to retail electric customers within the State, an environmental surcharge per kilowatt hour of electric energy distributed in the State to be paid by any electric company as defined in § 1–101 of the Public Utilities Article.

(ii) The Public Service Commission shall impose the surcharge per kilowatt hour of electric energy distributed to retail electric customers within the State and shall authorize the electric companies to add the full amount of the surcharge to retail electric customers' bills.

(iii) To the extent that the surcharge is not collected from retail electric customers, the surcharge shall be deemed a cost of distribution and shall be allowed and computed as such, together with other allowable expenses, for rate-making purposes.

(iv) Revenues from the surcharge shall be collected by the Comptroller and placed in the Fund.

(b) (1) (i) The Secretary, in consultation with the Director of the Maryland Energy Administration, annually shall coordinate the preparation of a budget required to carry out the provisions of this subtitle.

(ii) On approval of the budget by the General Assembly, the Public Service Commission shall establish the amount of the surcharge per kilowatt hour for the fiscal year beginning July 1, 1972, and for each subsequent fiscal year.

(2) Notwithstanding any other provisions of this subtitle, the amount of the surcharge for each account for each retail electric customer may not exceed the lesser of 0.15 mill per kilowatt hour or \$1,000 per month and the surcharge may not continue beyond fiscal year 2030.

(3) (i) The Comptroller shall maintain the method of collection of the surcharge from the companies and the collections shall accrue to the Fund.

(ii) The Department shall credit against the amount required to be paid into the Environmental Trust Fund by each electric company an amount

equal to 0.75% of the total surcharge attributed to each company on the basis of the electricity distributed within Maryland.

(c) (1) (i) The Secretary shall administer the Fund.

(ii) The Fund is subject to the provisions for financial management and budgeting established by the Department of Budget and Management.

(iii) Any investment earnings of the Fund shall be credited to the General Fund of the State.

(iv) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(v) Except as provided in paragraph (2) of this subsection, the money in the Fund shall be used to carry out the provisions of this subtitle as provided for in the budget.

(vi) For the purposes of this subtitle, the Secretary, in consultation with the Director of the Maryland Energy Administration, may execute appropriate contracts with any State or federal agency, research organization, industry, or academic institution to conduct the necessary research, construct or acquire, or both, real property including physical predictive models, laboratories, buildings, land, and appurtenances, or support the technological development of extraordinary systems related to power plants designed to minimize environmental impact.

(vii) The Secretary may utilize available expertise in any other State unit in the development, execution, and management of contracts and agreements on projects relating to their areas of prime responsibility.

(2) Money in the Fund may be used for administrative costs calculated in accordance with § 1–103(b)(2) of this article.

(d) (1) The Maryland Energy Administration shall receive administrative and fiscal support from the Fund for studies relating to the conservation or production of electric energy.

(2) Fiscal support to the Maryland Energy Administration from the Fund may not exceed \$250,000 in any fiscal year.

(3) The Chesapeake Bay Trust shall receive \$375,000 from the Fund each fiscal year for the purpose of funding energy conservation projects through the

Chesapeake Conservation Corps Program, as provided under §§ 8–1913 through 8–1924 of this article.

(e) The Legislative Auditor may conduct post audits of a fiscal and compliance nature of the Fund and of the appropriations and expenditures made for the purposes of this subtitle. The cost of the fiscal portion of the post audit examinations shall be an operating cost of the Fund.

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